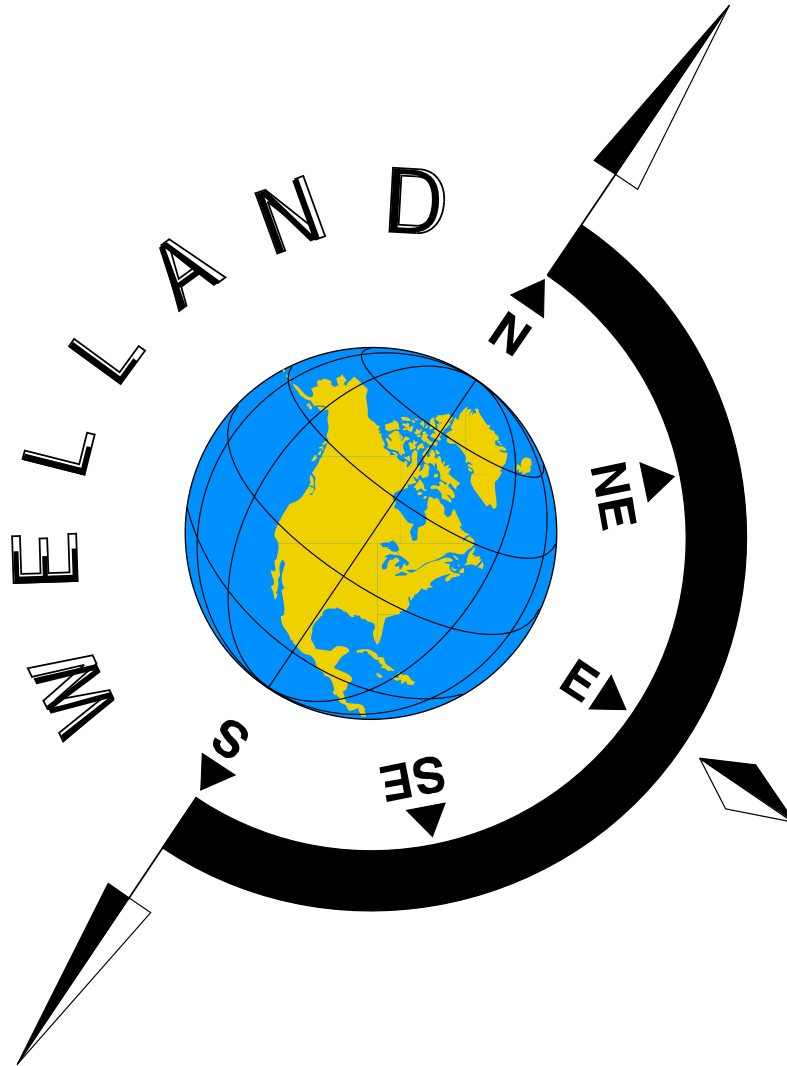


Review of Employment Trends



REVIEW OF EMPLOYMENT TRENDS

FOR

WELLAND, ONTARIO

CANADA

2006

For More Information Contact:

City of Welland
Economic Development Office
60 East Main Street
Welland, Ontario
L3B 3X4

Tel: (905) 735-1700; ext. 2111 or (800) 735-3771

Fax: (905) 735-1543

E-Mail: lina.henri@welland.ca

Website: www.welland.ca

Prepared by: Economic Development Office

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Disclaimer

The Welland Development Commission has attempted to present accurate information in this report based on data received through interviews and direct contact with local companies. Accordingly, there is no guarantee of the accuracy of the data, as the information was provided by responding organizations and is not independently verifiable.

The information presented in this report is not based upon residency of the work force; therefore, job losses or firm relocations should not necessarily be considered as losses to Welland. Due to the high mobility of the labour force in the Niagara Region, job losses or gains will also affect neighbouring municipalities. Data regarding gender of labour force participants was not collected.

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ANALYSIS AND SUMMARY

The information contained in this report is specifically for the period July 2005 to July 2006.

While the time frame of this report covers a relatively brief period and as such cannot furnish a basis for conclusions about Welland's economic picture, it does provide some insight into possible trends.

During the period July 2005 to July 2006 Welland recorded a net gain of 23 businesses and a net loss of 391 employees. The loss of employees is a direct result of layoffs in the manufacturing sector.

This report includes information regarding the non-profit and sports clubs and organizations in the City Of Welland. The number of non-profit organizations has increased by 3. With the increase in firms, the overall number of employees and volunteers for this sector has also increased. The number of sports organizations and clubs has decreased by 2, employees have slightly increased, and volunteers have decreased.

The City of Welland in 2004 completed a community economic development strategy aimed at strengthening the city's socio-economic well being and quality of life. This strategy will serve as a guide for community initiatives aimed at building a more stable and diverse economic base in Welland.

The province has recently created a "Places to Grow" plan for the Golden Horseshoe and in this plan Welland is designated the "gateway economic centre". This plan describes the "gateway economic centre" as having unique economic importance to the region and Ontario due to its proximity to major international border crossings.

Welland's job forecast however does look bright as the City continues its move to a more diversified economy. The city anticipates that as these plans are implemented, employment and business in Welland will prosper.

INTRODUCTION

The purpose of this report is to provide an analysis of the employment trends in Welland. The data provided summarizes the findings gathered while updating the Welland Business Directory. This process involved the collection of employment data from individual companies in the City of Welland.

This report will examine changes in data for the 2005 and 2006 Business Directories. Changes within existing businesses, new business openings, and business closures were examined. The net change of firms and employees, comparisons of employee numbers for the largest employers in Welland, data for the largest manufacturing employers, and employment statistics for Non-profit and Sports Clubs and Organizations are presented. This report concludes with a summary of employee totals and firm numbers for each sector in the City of Welland.

Over the course of one year, fluctuations occurred within some employment categories; however, these fluctuations are a regular occurrence and do not necessarily denote a trend.

The following chart presents the economic sectors for the 2006 Business Directory, along with their common abbreviations, which will be referred to throughout this report.

SECTORS AND ABBREVIATIONS

Sector Name	Abbreviation
Accommodation, Travel and Tourism	ACCM/TRAV
Accountants	ACCT
Amusement and Recreation	AMUS/REC
Automotive	AUTO
Call Centres	CALL CNTR
Catering and Food Services	CATER/FOOD
Commercial Printing	CMCL/PRINT
Communications	CMNC
Computer and Internet Service	CMPT/NET
Construction and Construction Equipment	CNSTR
Consultants	CNSLT
Convenience and Variety Stores	CONV/VRTY
Education Services	EDUC
Electrical	ELECT
Financial Institutions	FIN
Funeral Services	FUNRL
Government Services	GOV
Health and Social Services	HLTH
Insurance and Insurance Adjusters	INS
Interior and Exterior Design	INT/EXT DSN
Land Surveying	LND SURV
Landscaping and Gardening	LNDSCP/GARD
Legal Services	LEGAL
Manufacturing	MFG
Marketing Services	MRKT
Media	MEDIA
Non-Profit Organizations	NONPROF
Personal and Household Services	PERS/HHLD
Pharmacies	PHARM
Photography/Videography	PHOTO/VIDEO
Property Management	PROP MGMT
Real Estate	REAL EST
Retail	RTL
Security	SEC
Sports Clubs and Organizations	SPORTS
Transportation and Warehousing	TRANS/WAR
Utilities	UTL
Veterinarian Services	VET
Wholesale Trade	WHL

CHANGE IN NUMBER OF FIRMS

The economic sectors used in the 2005 and 2006 Business Directories are also used here to compare the change in number of businesses over the past year.

The City experienced 77 new business openings and 54 business closures, resulting in a net gain of 23 businesses between July 2005 and July 2006.

Table 1 illustrates the change in the number of companies in Welland between July 2005 and July 2006. Table 2 shows a breakdown by sector of the sources of new and closed businesses.

Table 1

CHANGE IN NUMBER OF FIRMS	
Business Directory Listings, 2005	1,283
New Firms: July 2005 - July 2006	77
Business Closures: July 2005 – July 2006	(54)
Total Number of Business Directory Listings, 2006	1,306
Net Gain	23

Table 2

CHANGE IN NUMBER OF FIRMS BY SECTOR					
Sector	2005 Firms	2006 Firms	New 2006 Firms	2006 Firm Closures	Net Change Gain/(Loss)
ACCM/TRAV	17	19	2	0	2
ACCT	11	11	0	0	0
AMUS/REC	16	18	2	0	2
AUTO	102	100	5	7	(2)
CALL CNTR	5	5	0	0	0
CATER/FOOD	129	128	15	16	(1)
CMCL/PRINT	6	6	0	0	0
CMNC	10	10	0	0	0
CMPT/NET	15	21	6	0	6
CNSTR	68	69	4	3	1
CNSLT	20	24	4	0	4
CONV/VRTY	38	42	5	1	4
EDUC	27	26	0	1	(1)
ELECT	12	12	0	0	0
FIN	34	34	1	1	0
FUNRL	7	7	0	0	0
GOV	24	24	0	0	0
HLTH	96	97	2	1	1
INS	17	19	2	0	2
INT/EXT DSN	32	36	4	0	4
LND SURV	2	2	0	0	0
LNDSCP/GARD	16	16	1	1	0
LEGAL	23	23	0	0	0
MFG	46	45	0	1	(1)
MRKT	11	11	1	1	0
MEDIA	4	5	1	0	1
PERS/HHLD	104	110	12	6	6
PHARM	10	10	0	0	0
PHOTO/VIDEO	9	9	1	1	0
PROP MGMT	5	5	0	0	0
REAL EST	10	11	1	0	1
RTL	200	195	7	12	(5)
SEC	6	6	0	0	0
TRANS/WAR	16	16	1	1	0
UTL	2	2	0	0	0
VET	4	4	0	0	0
WHL	11	10	0	1	(1)
TOTAL	1,165	1,188	77	54	23

NEW BUSINESS OPENINGS

Between July 2005 and July 2006, 77 new businesses opened in the City. Table 3 illustrates the sectors with new business openings. Catering and Food Services, Personal and Household Services, and Retail are the sectors that have experienced the most openings this year.

Table 3

SECTORS WITH NEW BUSINESS OPENINGS	
Accommodation, Travel and Tourism	2
Amusement and Recreation	2
Automotive	5
Catering and Food Services	15
Computer and Internet Service	6
Construction	4
Consultants	4
Convenience and Variety Stores	5
Financial Institutions	1
Health and Social Services	2
Insurance	2
Interior and Exterior Design	4
Landscaping	1
Marketing	1
Media	1
Personal and Household Services	12
Photography	1
Real Estate	1
Retail	7
Transportation	1
TOTAL	77

The opening of these businesses resulted in approximately 154 new full/part-time positions in the City of Welland.

BUSINESS CLOSURES

Between July 2005 and July 2006, there were 54 business closures in the city. These closures can be attributed to bankruptcies, retirements, deaths, relocations outside of Welland, non-viability and unknown circumstances.

The Catering and Food Services sector was the most affected by closures with the loss of 16 businesses, followed by the Retail sector with 12 closed businesses.

Table 4

SECTORS WITH BUSINESS CLOSURES	
Automotive	7
Catering and Food Services	16
Construction	3
Convenience and Variety Stores	1
Education	1
Financial Institutions	1
Health and Social Services	1
Landscaping	1
Manufacturing	1
Marketing Services	1
Personal and Household Services	6
Photography / Videography	1
Retail	12
Transportation	1
Wholesale	1
TOTAL	54

These business closures have resulted in a loss of approximately 143 full/part time positions, and 6 seasonal positions.

CHANGE IN EMPLOYMENT

The total number of employees in Welland businesses, as of July 2006, is 18,024 with 664 of these employees being seasonal. Within the City, some sectors experienced job gains, while others experienced job losses. In sectors with job gains, there was an overall increase of 438 jobs. In sectors with job losses, there was an overall decrease of 829 jobs. Therefore, there was net decrease of 391 jobs this year.

Table 5 of this report compares the number of employees for each sector in July 2005 and July 2006. Tables 6 and 7 provide listings of the sectors that experienced net job gains and losses, respectively, during the year.

Seventeen sectors experienced net growth in their labour force, the largest increase experienced by Health and Social Services with 89 more employees.

Eighteen sectors experienced net losses in employment. The most severe loss was experienced by Manufacturing with a loss of 402 jobs. Layoffs at GDX Automotive and John Deere are a large contributing factor. Call Centres also suffered a loss of jobs with 225 less.

Table 5

CHANGE IN EMPLOYMENT				
Sector	Number of Employees 2005	Number of Employees 2006	Net Change 2005-2006 Gain	% Change 2005-2006
ACCM/TRAV	131	136	5	3.82%
ACCT	83	83	0	0.00%
AMUS/REC	118	124	6	5.08%
AUTO	686	666	(20)	(2.92%)
CALL CNTR	2767	2732	(35)	(1.26%)
CATER/FOOD	1349	1400	51	3.78%
CMCL/PRINT	36	33	(3)	(8.33%)
CMNC	25	29	4	16.00%
CMPT/NET	54	53	(1)	(1.85%)
CNSTR	868	643	(225)	(25.92%)
CNSLT	69	107	38	55.07%
CONV/VRTY	119	126	7	5.88%
EDUC	1617	1608	(9)	(0.56%)
ELECT	51	70	19	37.25%
FIN	339	354	15	4.42%
FUNRL	30	27	(3)	(10.00%)
GOV	707	791	84	11.88%
HLTH	1285	1374	89	6.93%
INS	118	135	17	14.41%
INT/EXT DSN	124	139	15	12.10%
LND SURV	13	15	2	15.38%
LNDSCP/GARD	156	133	(23)	(14.74%)
LEGAL	111	120	9	8.11%
MFG	3336	2934	(402)	(12.05%)
MRKT	46	43	(3)	(6.52%)
MEDIA	150	149	(1)	(0.67%)
PERS/HHLD	480	450	(30)	(6.25%)
PHARM	239	248	9	3.77%
PHOTO/VIDEO	34	32	(2)	(5.88%)
PROP MGMT	70	70	0	0.00%
REAL EST	138	139	1	0.72%
RTL	2244	2311	67	2.99%
SEC	137	133	(4)	(2.92%)
TRANS/WAR	489	437	(52)	(10.63%)
UTL	47	43	(4)	(8.51%)
VET	31	29	(2)	(6.45%)
WHL	118	108	(10)	(8.47%)
TOTAL	18,415	18,024	(391)	(2.12%)

Table 6

JOB GAINS BY SECTOR	
Accommodation, Travel and Tourism	5
Amusement and Recreation	6
Catering and Food Services	51
Communications	4
Consultants	38
Convenience and Variety Stores	7
Electrical	19
Financial Institutions	15
Government Services	84
Health and Social Services	89
Insurance and Insurance Adjusters	17
Interior and Exterior Design	15
Land Surveying	2
Legal Services	9
Pharmacies	9
Real Estate	1
Retail	67
TOTAL	438

Table 7

JOB LOSSES BY SECTOR	
Automotive	20
Call Centres	35
Commercial Printing	3
Computer and Internet Service	1
Construction and Construction Equipment	225
Education Services	9
Funeral Services	3
Landscaping and Gardening	23
Manufacturing	402
Marketing Services	3
Media	1
Personal and Household Services	30
Photography/Videography	2
Security	4
Transportation and Warehousing	52
Utilities	4
Veterinarian Services	2
Wholesale Trade	10
TOTAL	829

WELLAND'S LARGEST EMPLOYERS

Welland's largest employers experienced a net loss of 365 employees over the past year. Layoffs at GDX Automotive and John Deere caused a loss of 288 jobs. The major firms in Welland account for 7,915 jobs of the total employed labour force of 18,024.

Table 8 Changes for Major Employers

Company Name	Employees 2005	Employees 2006	Change in 2005 - 2006 Employees Gain
Canadian Tire Financial Services	1,388	1,388	0
GDX Automotive (formerly GenCorp)	650	462	(188)
Canada Forgings Inc.	100	100	0
Niagara Health System Welland Hospital Site	800	900	100
Convergys Customer Management Canada	1,100	1,000	(100)
John Deere Welland Works	980	880	(100)
District School Board of Niagara	595	595	0
Lakeside Steel Corporation (formerly StelpipeLtd)	500	480	(20)
Niagara College of Applied Arts & Technology	485	485	0
Corporation of the City of Welland	387	387	0
Niagara Catholic District School Board	300	300	0
Wal-Mart Canada Inc.	260	290	30
Marusa Marketing	110	110	0
Bosch Rexroth Canada Corp.	198	176	(22)
Vesuvius Canada Refractories Inc.(formerly Premier Refractories)	175	110	(65)
Zehrs Food Plus	152	152	0
Welland Forge	100	100	0
TOTAL	8,280	7,915	(365)

WELLAND'S LARGEST MANUFACTURING EMPLOYERS

The manufacturing sector comprises a major part of Welland's economic base. This sector consists of 45 of the 1,188 total firms in the 2006 Business Directory and employs 2,934 individuals or 16.28% of the City's total workers.

During the past year, there was an overall net loss of 402 positions in the Manufacturing sector for Welland. Of the largest manufacturing employers, illustrated in Table 9, there was a net loss of 397 employees.

Table 9 Largest Manufacturing Employers

Employer	2005	2006	% Change 2005-2006	% MFG Sector Employment	% of Total Employees
GDx Automotive (form. GenCorp)	650	462	(28.92%)	15.74%	2.56%
Bosch Rexroth Canada Corp.	198	174	(12.12%)	5.93%	0.97%
John Deere Welland Works	980	880	(10.20%)	29.99%	4.88%
Lakeside Steel Corp. (formerly Stelpipe Ltd.)	500	480	(4.00%)	16.36%	2.66%
Canada Forgings Inc.	100	100	0%	3.41%	0.55%
Welland Forge	100	100	0%	3.41%	0.55%
Vesuvius Canada Refractories Inc. (form. Premier Refractories)	175	110	(37.14%)	3.75%	0.61%
TOTAL	2,703	2,306	(14.69%)	78.59%	12.78%

NON-PROFIT AND SPORTS CLUBS AND ORGANIZATIONS

There are numerous non-profit organizations offering their many services to the residents and visitors of the City of Welland and neighbouring communities. Eighty-six such organizations are included in the 2006 Business Directory along with their number of employees and volunteers.

There are also a variety of sports clubs and organizations located in Welland. The Business Directory includes these clubs and organizations in addition to the number of employees and volunteers involved with each listing. There are currently 32 Sports Clubs and Organizations listed in the 2006 Business Directory.

The following table illustrates a comparison between the number of organizations, employees, seasonal employees and volunteers for the non-profit and sports clubs and organizations sectors for 2005 and 2006.

Table 10

NON PROFIT AND SPORTS CLUBS AND ORGANIZATIONS				
	Number of Organizations	Number of Employees (excl. Seasonal)	Number of Seasonal Employees	Number of Volunteers
NON PROFIT				
July 2005	83	732	31	2,815
July 2006	86	803	105	3,430
SPORTS				
July 2005	34	58	127	973
July 2006	32	80	116	938

SUMMARY OF FIRM AND EMPLOYEE TOTALS

As of July 2006, there are 1,188 firms open for business and a total of 18,024 employees in Welland. The following table is a summary of the economic sectors and their respective fulltime, part time, and seasonal employees.

Table 11

SUMMARY OF FIRM AND EMPLOYEE TOTALS				
Sector	Total Firms 2006	Full-Time Employees 2006	Part-Time Employees 2006	Seasonal Employees 2006
ACCM/TRAV	19	88	30	18
ACCT	11	60	10	13
AMUS/REC	18	63	55	6
AUTO	100	580	68	18
CALL CNTR	5	2418	294	20
CATER/FOOD	128	1095	268	37
CMCL/PRINT	6	30	2	1
CMNC	10	24	5	0
CMPT/NET	21	36	10	7
CNSTR	69	510	23	110
CNSLT	24	88	11	8
CONV/VRTY	42	87	34	5
EDUC	26	1489	58	61
ELECT	12	48	9	13
FIN	34	256	91	7
FUNRL	7	14	13	0
GOV	24	545	228	18
HLTH	97	1237	133	4
INS	19	126	7	2
INT/EXT DSN	36	107	16	16
LND SURV	2	14	1	0
LNDSCP/GARD	16	61	7	65
LEGAL	23	102	12	6
MFG	45	2864	23	47
MRKT	11	33	5	5
MEDIA	5	90	59	0
PERS/HHLD	110	363	71	16
PHARM	10	156	92	0
PHOTO/VIDEO	9	21	4	7
PROP MGMT	5	48	21	1
REAL EST	11	134	4	1
RTL	195	1420	751	140
SEC	6	130	3	0
TRANS/WAR	16	218	208	11
UTL	2	40	3	0
VET	4	22	6	1
WHL	10	93	15	0
TOTAL	1,188	14,710	2,650	664